(c) the annual domestic production of ethanol in our country and the estimated consumption during 2008-09?

THE MINISTER OF STATE IN THE MINISTRY OF PETROLEUM AND NATURAL GAS (SHRI DINSHA J. PATEL): (a) and (b) Oil Marketing Companies (OMCs) have explored the possibilities of acquiring sugarcane acreage and putting up ethanol manufacturing units in Brazil. Feasibility study for ethanol operations in Brazil was conducted. The project was found feasible and strategic for Indian Oil Industry. However, in view of economic slow down and resource crunch, Oil Industry Public Sector Undertakings (PSUs) Marketing Companies are not contemplating any investment in Brazil to set up an ethanol project at present.

(c) The production of alcohol in respect of 10 major producing States *viz.* Andhra Pradesh, Bihar, Gujarat, Haryana, Karnataka, Maharashtra, Punjab, Tamil Nadu, Uttar Pradesh and Uttaranchal is as under:

Year	Production (crore liters)
2004-05	113.1
2005-06	157.5
2006-07	239.3

The estimated surplus quantity of alcohol after setting aside for industrial and potable use, which could be made available for ethanol blended petrol programme is 82.3 crore liters during 2008-09.

Curtailment of supply by oil companies

2453. SHRI DARA SINGH: Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

(a) whether Indian economy is reeling under raining crude blows and our oil companies have reportedly started curtailing supplies;

(b) the Navratana Oil Companies which have reportedly written to Government that they will slip into red in 2008-09, if the present crude surge continues for more than three months because they fear that their combined losses would be more than Rs. 2,00,000 crore this year alone; and

(c) if so, by when Government expects oil prices to come down so as to bring turn around in crippling finances of India's Oil companies?

THE MINISTER OF STATE IN THE MINISTRY OF PETROLEUM AND NATURAL GAS (SHRI DINSHA J. PATEL): (a) to (c) The Public Sector Oil Marketing Companies (OMCs), namely, Indian Oil Corporation (IOC), Bharat Petroleum Corporation (BPC) and Hindustan Petroleum Corporation (HPC) have informed that they have not curtailed the supplies of the four sensitive petroleum products, *i.e.* Petrol, Diesel, PDS Kerosene Oil and Domestic LPG.

The OMCs have reported combined losses of Rs. 14,431 crore during the First half of 2008-09. Their combined borrowings at the end of November, 2008 stood at Rs.1,15,000 crore with an interest burden of Rs.8,100 crore during 2008-09. Their total under-recoveries on the sale of sensitive petroleum products at the current prices are projected to be Rs.1,10,381 crore during 2008-09.

International prices of crude oil have come down since August, 2008. The average price of Indian Basket of crude oil was $ 50.91 per barrel during November, 2008 and $ 42.27 per barrel during December, 2008 (upto 16th). At the current international oil prices, the OMCs are incurring under-recoveries on the sale of PDS Kerosene and Domestic LPG.

Supply of gas to power projects in Andhra Pradesh

2454. SHRI NANDI YELLAIAH: Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

(a) whether his Ministry has been requested by the State Government of Andhra Pradesh to issue necessary instruction to Gas Authority of India Ltd. (GAIL) to supply gas from Ravva Satellite Fields to the power projects in Andhra Pradesh at Administered Pricing Mechanism (APM) price;

(b) if so, the details of the decision taken thereon; and

(c) the justification for asking Andhra Pradesh based all APM customer power projects to pay a non-APM price for Ravva Satellite gas?

THE MINISTER OF STATE IN THE MINISTRY OF PETROLEUM AND NATURAL GAS (SHRI DINSHA J. PATEL): (a) Yes, Sir.

(b) It was decided that the gas from Ravva Satellite field be directly sold by GAIL (India) Ltd. at market determined prices from March 2003.

(c) According to the provisions of the Production Sharing Contract (PSC) signed between the Government and the Joint Venture Company (JVC), the producers of gas produced from Ravva Satellite field or any additional gas from other JV fields have the freedom to sell gas at market price or offer it to the Government nominee. The JVC producing Ravva Satellite gas decided to sell gas at market price through GAIL. Hence, gas produced from Ravva Satellite field is not sold at APM rate.

Investment made by State owned companies

2455. SHRI NARESH GUJRAL: Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

(a) the money spent by Oil and Natural Gas Corporation (ONGC) and other State owned companies on oil exploration in India in the last three years;

(b) the quantity of oil discovered by them during the period; and

(c) the money invested abroad by State owned companies for oil exploration along with the returns this investment has fetched?